



Press Release

31.07.2024

Directorate of Enforcement (ED), Hyderabad Zonal Office has provisionally attached movable and immovable assets having book value Rs. 19.11 Crore and market value Rs. 71.61 Crore belonging to Nerella Venkata Rama Mohan Rao and others under the Prevention of Money Laundering Act (PMLA), 2002 in a case of cheating IDBI bank by taking fraudulent Kisan Credit Card (KCC) Fish Tank loans. The attached properties are in the names of aggregators, their family members & *benamis* and include immovable properties in the form of agricultural lands, commercial sites and plots in Andhra Pradesh and Telangana having market value of Rs. 71.61 Crore; and bank account balance of Rs. 15.55 Lakh.

ED initiated investigation on the basis of FIR registered by CBI, Visakhapatnam under various sections of IPC and Prevention of Corruption Act, 1988 against Nerella Venkata Rama Mohan Rao and 10 others for fraudulently availing KCC Fish Tank loans in the names of 350 borrowers from IDBI Bank, Rajahmundry Branch to the tune of Rs. 311.05 Crore.

ED investigation revealed that Nerella Venkata Rama Mohan Rao, Badigantla Srinivasa Rao, Bandi Narayana Rao, Gidugu Satya Nagendra Srinivasa Rao, Karri Gandhi, Dr. Manepalli Surya Manikyam, Manepalli Suryanarayana Gupta, R V Chandramouli Prasad, Goluguri Rama Krishna Reddy, Vanapalli Narayana Rao and Vanapalli Pallaiah acted as 'aggregators' for KCC Fish Tank loans sanctioned to 350 borrowers and were the ultimate beneficiaries. These 11 aggregators conspired with the officials of IDBI bank & others and availed KCC Fish Tank loans totaling to Rs. 311.05 Crore on the strength of fabricated documents, primarily in the names of their own employees, relatives, *benamis* and farmers who were ineligible for such loans. Further, the value of collateral securities offered against the loans was highly inflated in connivance with the valuers. The sanctioned KCC loan amounts were diverted from the borrowers' accounts to the aggregators through cash withdrawals as well as bank transfers to the accounts of aggregators and other persons on the directions of the aggregators. The diverted and siphoned off loans were utilized by the aggregators for acquisition of immovable properties in their name and their family members'/*benamis*' names. The diverted loan funds were also used by them for investment in their other business and for repayment of old loans. Investigation also revealed that properties acquired by the aggregators out of the proceeds of crime were again used by them as collateral securities for availing further loans.

Further investigation is under progress.